

OFFICE OF
GENERAL COUNSEL
BEFORE THE FEDERAL ELECTION COMMISSION

2018 JUL 24 AM 11: 54

CAMPAIGN LEGAL CENTER
1411 K Street NW, Suite 1400
Washington, DC 20005
(202) 736-2200

v.

MUR No. 7440

NEW PAC
Tony Souza, Treasurer
P.O. Box 7480
Visalia, CA 93290

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information and belief that NEW PAC (ID: C00398750), a leadership PAC sponsored by Rep. Devin G. Nunes, has violated 52 U.S.C. § 30114(c)(2) by unlawfully using leadership PAC funds for non-commercial air travel.
2. "If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [the Federal Election Campaign Act ("FECA")]. . . [t]he Commission *shall* make an investigation of such alleged violation" 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a).
3. Campaign Legal Center ("CLC") is a nonpartisan, nonprofit 501(c)(3) organization whose mission is to protect and strengthen the U.S. democratic process through litigation and other legal advocacy. CLC participates in judicial and administrative matters throughout the nation regarding campaign finance, voting rights, redistricting, and government ethics issues.

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FACTS

4. New PAC (ID: C00398750) is a leadership PAC sponsored by Rep. Devin G. Nunes.¹ Nunes is an officeholder and candidate in California's 22nd Congressional district.²
5. On March 7, 2018, New PAC paid Paramount Business Jets \$11,036 for "Air Transportation."³ The report entry listed Paramount Business Jets at 573 Potomac Station Drive, #707, Leesburg, VA 20176.⁴
6. On Schedule B of its July Quarterly Report, in an entry dated May 18, 2018, New PAC reported an "Air Transportation – Refund of Overpayment" valued at -\$5,518.⁵ Therefore, on net, New PAC has paid Paramount Business Jets \$5,518 since March of 2018.
7. Paramount Business Jets was incorporated in Virginia in 2013.⁶ According to its website:

Paramount Business Jets offers private jet flights to and from any major city in the world, in any size aircraft with as little as 4 hours of notice. We tailor solutions to best fit our client's mission, be it jet card membership, aircraft sales, leasing a jet or chartering a jet as needed.

Our portfolio includes over 4000 of the world's safest and most luxurious private jets, each hand-picked and checked for safety and quality by our global team of

¹ See *New PAC: About this committee, 2017-18*, FEC.GOV, <https://www.fec.gov/data/committee/C00398750/?tab=about-committee&cycle=2018N> (describing NEW PAC as a "PAC – Qualified – Leadership PAC"); see also *New PAC, Statement of Organization, FEC Form 1*, at 1-3 (amended Aug. 20, 2010), <http://docquery.fec.gov/pdf/817/13940745817/13940745817.pdf>. The statement of organization dated August 20, 2010 is currently designated a "current version" on the Commission's website. See *New PAC, Statements of Organization, 2009-10*, <https://www.fec.gov/data/committee/C00398750/?tab=filings&cycle=2010> (last visited July 20, 2018). Statements of organization dated May 16, 2013 and September 21, 2016 are also designated "current version[s]." See *New PAC, Statements of Organization, 2013-14*, <https://www.fec.gov/data/committee/C00398750/?tab=filings&cycle=2014> (last visited July 20, 2018); *New PAC, Statements of Organization, 2015-16*, <https://www.fec.gov/data/committee/C00398750/?tab=filings&cycle=2016> (last visited July 20, 2018).

² See *Devin Gerald Nunes, About this candidate*, FEC.GOV, <https://www.fec.gov/data/candidate/H8CA20059/?tab=about-candidate> (last visited July 20, 2018).

³ *New PAC, 2018 April Quarterly Report, FEC Form 3X*, at 36 (filed Apr. 11, 2018), <http://docquery.fec.gov/pdf/397/201804119106285397/201804119106285397.pdf>.

⁴ *Id.*

⁵ *New PAC, 2018 July Quarterly Report, FEC Form 3X*, at 41 (filed July 16, 2018), <http://docquery.fec.gov/pdf/758/201807169115707758/201807169115707758.pdf>.

⁶ *Paramount Business Jets LLC: Business Entity Details*, COMMONWEALTH OF VIRGINIA STATE CORPORATION COMMISSION, <https://sccfilefile.scc.virginia.gov/Business/T054618> (last visited July 20, 2018).

passionate aviation experts, who work to ensure our clients are offered the very best.⁷

8. Paramount Business Jets' hourly rates range from \$1,700 an hour to \$23,000 an hour.⁸

SUMMARY OF THE LAW

9. A "leadership PAC" is a political committee directly or indirectly established, financed, maintained or controlled by a candidate for Federal office or an individual holding Federal office but which is not an authorized committee of the candidate or individual and which is not affiliated with an authorized committee of the candidate or individual. 52 U.S.C. § 30104(i)(8)(B); 11 C.F.R. § 100.5(e)(6).
10. 52 U.S.C. § 30114(c)(2) ("Restrictions on use of campaign funds for flights on non-commercial aircraft") states that a House candidate's "authorized committee and a leadership PAC of the candidate may not make any expenditure for a flight" on a non-commercial aircraft,⁹ *id.*, unless the aircraft is owned by the candidate, *id.* § 30114(c)(2)(B), or a federal or state government, *id.* § 30114(c)(3).
11. Commission regulations similarly state that a House candidate, "or a person traveling on behalf of any such candidate . . . or leadership PAC of such candidate, is prohibited from non-commercial travel on behalf of such candidate . . . or leadership PAC of such candidate," unless the aircraft is owned by the candidate or a federal or state government. 11 C.F.R. § 100.93(c)(2); *see also* 74 Fed. Reg. 63951, 63956 (December 7, 2009).

⁷ *About Us*, PARAMOUNT BUSINESS JETS, <https://www.paramountbusinessjets.com/company/> (last visited July 20, 2018).

⁸ *Choosing Your Private Aircraft*, PARAMOUNT BUSINESS JETS, <https://www.paramountbusinessjets.com/private-jet-charter-pricing.html> (last visited July 20, 2018).

⁹ Specifically, unless "the aircraft is operated by an air carrier or commercial operator certificated by the Federal Aviation Administration and the flight is required to be conducted under air carrier safety rules, or, in the case of travel which is abroad, by an air carrier or commercial operator certificated by an appropriate foreign civil aviation authority and the flight is required to be conducted under air carrier safety rules." 52 U.S.C. § 30114(c)(2)(A).

12. Non-commercial travel means travel aboard an aircraft that is not commercial travel. 11

C.F.R. § 100.93(a)(v). "Commercial travel" is defined generally as travel aboard an aircraft that is:

"operated by an air carrier or commercial operator certificated by the Federal Aviation Administration and the flight is required to be conducted under air carrier safety rules, or, in the case of travel which is abroad, by an air carrier or commercial operator certificated by an appropriate foreign civil aviation authority and the flight is required to be conducted under air carrier safety rules."

11 C.F.R. § 100.93(a)(iv)(A); *see also* 52 U.S.C. § 30114(c)(2)(A).

CAUSES OF ACTION

I. NEW PAC VIOLATED FECA BY MAKING AN EXPENDITURE FOR PRIVATE AIR TRAVEL

13. Rep. Nunes is an incumbent candidate in California's 22nd House district.¹⁰ NEW PAC is his leadership PAC.¹¹
14. NEW PAC has paid Paramount Business Jets \$5,518 for "Air Transportation" since March of 2018.¹² Paramount Business Jets is a non-commercial aircraft within the meaning of FECA and Commission regulations,¹³ and is neither owned by Nunes nor a federal or state government.
15. FECA prohibits a House candidate's leadership PAC from making any expenditure for travel aboard non-commercial aircraft. 52 U.S.C. § 30114(c)(2). Commission regulations prohibit any person from traveling aboard non-commercial aircraft on behalf of a House candidate's leadership PAC. 11 C.F.R. § 100.93(c)(2).

¹⁰ See sources cited ¶ 4.

¹¹ *Id.*

¹² See sources cited ¶¶ 5-6.

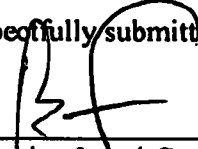
¹³ Paramount Business Jets is not on the list of Federal Aviation Administration-certificated air carriers. See Department of Transportation, *U.S. Certificated Air Carriers*, (last updated October 19, 2017), <https://www.transportation.gov/sites/dot.gov/files/docs/mission/office-policy/aviation-policy/3185/certificated-list102017.pdf>.

16. Therefore, there is reason to believe that NEW PAC violated 52 U.S.C. § 30114(c)(2) and 11 C.F.R. § 100.93(c)(2) by making an expenditure for travel on its behalf aboard non-commercial aircraft.

PRAYER FOR RELIEF

17. Wherefore, the Commission should find reason to believe that NEW PAC violated 52 U.S.C. § 30101 *et seq.*, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2).
18. The Commission should seek appropriate sanctions for any and all violations, including civil penalties sufficient to deter future violations and an injunction prohibiting the respondents from any and all violations in the future, and should seek such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

Respectfully submitted,



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Counsel to the Campaign Legal Center

July 23, 2018

VERIFICATION


The complainant listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.

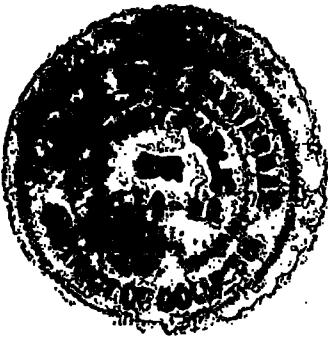
For Complainant Campaign Legal Center


Brendan M. Fischer

Sworn to and subscribed before me this 13 day of July 2018.



Notary Public



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